

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 00-0053P

**Income Tax
Calendar Year 1997**

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ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer filed form IT-20 for calendar year 1997 late and was assessed a penalty.

Taxpayer requests that the department waive the late payment penalty.

I. **Tax Administration** – Penalty

DISCUSSION

Taxpayer was assessed a ten percent (10%) penalty because it paid the balance of its tax due after the due date of the return.

Taxpayer, in a facsimile transmittal sheet dated December 29, 1999 protested penalties assessed and stated it paid all taxes in full and a reasonable tax estimate could not be made at the due date. Taxpayer states its reason for the late 1997 tax payment was because the liability was significantly overstated and an amended return will need to be filed based on a ruling from the Tax Policy Division. The ruling from the Tax Policy Division is being requested for a definition of gross receipts.

An extension to file is not an extension for the payment of tax. IC 6-8.1-10-2.1(a)(2) clearly assesses a penalty if a person fails to pay the full amount of tax shown on the person's return on or before the

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due date for the return. (The due date of the return is April 15). The tax was not paid until October. IC 6-8.1-6-1(a) clearly states that at least ninety percent (90%) of the tax that is reasonably expected to be due on the due date must be filed with the petition for a sixty-day (60) extension. Taxpayer should have obtained the ruling prior to filing its return.

FINDING

Taxpayer's protest is denied.

DW/RAW/JMS/dw 000303